

ATTACHED: PLEASE TRY NOT TO
REMOVE FROM DOCUMENTS THANKS...

Ep 86-1249 x/1
cont 86-486

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

O/Comptroller

EXTENSION

NO.

DATE

9 April 1986

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1.

Executive Registry

2.

3.

Executive Director

4.

ER

5.

DCI

6.

7.

8.

9.

10.

11.

STAT

~~SECRET~~

9 April 1986

MEMORANDUM FOR: Director of Central Intelligence

FROM:

[redacted]
Executive Director

25X1

SUBJECT: Re-evaluating Our Priorities

25X1

1. Your note on the need to re-examine use of our base resources has prompted us to look more carefully at what we have actually done to the base program over the past year or so and outline how we intend to continue to scrub the base. Briefly, we look at the base from three perspectives--(a) how to accommodate higher-priority unfund requirements in the operating year (FY 1986) by reorienting our base resources; (b) how to give ourselves more flexibility to do what we must next year (FY 1987), given likely Congressional cuts to our program; and (c) how to fit new initiatives into the FY 1988 program. In each case, we are attempting to determine, as best we can, what can be removed from the base to cover new activities of higher priority. [redacted]

Reviewing the 1986 Program

2. While not nearly as systematic as we would like, each directorate reviews its resources early in the fiscal year to determine how to accommodate unallocated cuts from Congress. In the current fiscal year, for example, the directorates had to absorb a [redacted] reduction due to unallocated cuts [redacted] and another [redacted] for Gramm-Rudman.

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3. Once the operating budgets are set, the directorates review their resources to determine what can be deferred in favor of higher priority requirements. Thus far, this year, for example:

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S E C R E T

SUBJECT: Re-evaluating Our Priorities

[redacted] Additional shifts will occur throughout the fiscal year. Starting with the next Comptroller's meeting in late April, we will actively search for items that might be deferred so that we can cover high priority unfunded requirements. [redacted]

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Reviewing the 1987 Program

6. In constructing the program that is now before Congress, we limited growth in the base in an effort to force trade-offs between priority items.

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Reviewing the 1988 Program

8. Although it has not yet come to you for review, we are already hard at work on the program that we will propose for FY 1988. In June, the Deputies and I will meet with the Comptroller to reach final recommendations to you on the shape of our request. As with past years, we have attempted to limit growth in the base program. In addition, I intend to fund as much of our investment program and as many of our new initiatives as practical by cutting the base. Our effort throughout will be to force trade-offs of the base, the investment programs, and proposed initiatives against one another. In addition, I have tasked the Comptroller to determine whether more systematic means are available to identify surplus funds in the base program. [redacted]

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S E C R E T

S E C R E T

SUBJECT: Re-evaluating Our Priorities

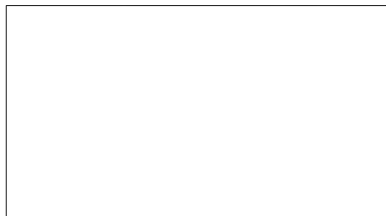
Taking the Next Steps

9. Despite all of our efforts, resources in our base program are probably still being spent for items that are not as important as maintaining the momentum of some of our longer-term investment or other higher priority activities. Nonetheless, I would not recommend a formal program to ask office or division chiefs to re-examine their priorities and tell us how they can be rearranged. First, the real work of doing a job like this falls too heavily on a very small number of folks--the same people who are right now stretched very tight by their work in support of us on the 1986, 1987, and 1988 programs. Second, we will not get much information that is actionable since systematic information on which base activities our senior managers would consider marginal is hard to come by.

25X1

10. Instead, I propose that we continue to make the relatively sizable reductions in our base programs needed to sustain our investment and other high priority activities at agreed levels. In other words, we should preserve funding levels for key programs and make room for selected new initiatives while mandating that as many reductions (taken by Congress in 1987 or within the Executive Branch for 1988) as possible be taken from the base. I suggest that we do this incrementally and continuously, and that we listen for the screams of anguish. Our people are not shy and we will hear from them soon enough. Realistically, I think this approach gives us the highest likelihood that we will actually achieve the goal you wish us to achieve.

11. I will be happy to talk further about all of this if you like.



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Executive Registry

86- 1249/1

1 April 1986

MEMORANDUM FOR: Deputy Director for Operations
Deputy Director for Science and Technology
Deputy Director for Administration

FROM: Executive Secretary

SUBJECT: Reevaluation of Priorities

At this morning's Staff Meeting, the DCI made reference to a request he had made that "the Deputies" take a hard look at our resource base to make sure the "base" supports our priorities--this is to be done even if it means reducing the people and dollar resources applied to other areas in the base.

As additional background, I am providing a copy of a memorandum the DCI sent to [] and Bob Gates on this subject. This is for your information only (to give you an idea of where the DCI was coming from this morning). You should not take any action on this until you have received specific guidance to that affect from Bob and []

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Attachment: DCI Memo ER 86-1429, dtd 27 Mar 86

25X1

cc: Comptroller

Dist:

Orig - DDO

1 Each - DDST & DDA

1 - ER File

25X1

~~SECRET~~DCI
EX
R

P-203-IR

~~SECRET~~

Executive Registry

86- 1249

27 March 1986

MEMORANDUM FOR: Executive Director
Deputy Director for Intelligence

FROM: Director of Central Intelligence

SUBJECT: Reevaluation of Priorities

25X1

25X1

1. In my various discussions relating both to the prospective budget levels and where we get people and resources to do what needs to be done on urgent high priority tasks like counterterrorism, mobile missiles, etc., etc., it is clearly necessary that we initiate promptly a special exercise more focused than ever to "scrub" our base and review and reevaluate our priorities.

2. In talking to the DO Futures Conference on 25 March, I was questioned about where we are going to find the people to carry out a strong counterterrorism program, meet new requirements in [redacted] etc. Certainly in light of the budgetary outlook, a major part of the answer will have to be involved in shifting priorities, people and resources to more important and urgent requirements.

[redacted]

3. Will both of you give some thought as to how we can best assure that the substantive people take a new look in each division and each office, or even lower offices if appropriate, to question all activities, to review priorities, and to see where resources and funding can be taken from less urgent and less important activities in order to be sure that we meet the really pressing needs. My offhand thinking would be to have some kind of a mechanism which would require office chiefs, and perhaps even subordinate units, to report on what changes in priority and what shifting and reduction in resources they are prepared to recommend in light of the situation we face. Perhaps we should set a target for each unit to achieve with its recommendations. Whatever target we set, we should be able to get far larger shifts from some units than from others.

4. Give me your views on this or let's arrange a brief meeting to formulate a process for accomplishing this.

25X1

William J. Casey

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EXECUTIVE SECRETARIAT
ROUTING SLIP

TO:		ACTION	INFO	DATE	INITIAL
1	DCI		X		
2	DDCI		X		
3	EXDIR	X			
4	D/ICS				
5	DDI	X			
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/OLL				
14	D/PAO				
15	D/PERS				
16	VC/NIC				
17	ES		X		
18	<i>ER</i>				
19					
20					
21					
22					
SUSPENSE		2 Apr 86 <small>Date</small>			

Remarks

To 3/5: Please get together and schedule session with DCI to discuss.

[Signature]
Executive Secretary

STAT

3637 (10-81)

Date
27 March 1986

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Executive Registry

86-

1249

27 March 1986

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Deputy Director for Intelligence

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